

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

IN RE:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steven W. Rhodes

**MOTION REGARDING WITHDRAWAL AS COUNSEL
FOR SOME OF THE DETROIT PUBLIC SAFETY UNIONS**

Erman, Teicher, Zucker & Freedman, P.C. (“Erman Teicher” or “Firm”) states its Motion Regarding Withdrawal as Counsel:

1. This Motion seeks the approval of the Court on the issue of Erman Teicher’s continued representation of one or more of the Detroit Fire Fighters Association (the “DFFA”), the Detroit Police Officers Association (the “DPOA”), the Detroit Police Lieutenants & Sergeants Association (the “DPLSA”) and the Detroit Police Command Officers Association (the “DPCOA”) (collectively, the “Detroit Public Safety Unions”) as a consequence of the conflict that has arisen by virtue of the tentative settlement reached by two of the four Detroit Public Safety Unions (the DPCOA and the DPLSA or the “Settling Public Safety Unions”) on the morning of the deadline for the City to file its final amended disclosure statement and plan of adjustment.

2. In July of 2013, at or around the time the City filed its bankruptcy petition, each of the Detroit Public Safety Unions retained Erman Teicher as bankruptcy counsel to represent them in the City's impending chapter 9 bankruptcy proceedings.

3. Over the last seven months, the Detroit Public Safety Unions have participated in extensive and exhaustive mediation sessions pursuant to this Court's First Order Referring Matters to Facilitative Mediation dated August 16, 2013 [Docket No. 333] and Amended Order for Certain Parties to Appear for First Mediation Session, dated August 20, 2013 [Docket No. 567]. Those sessions have been conducted by Court appointed mediators, the Hon. Victoria Roberts and Eugene Driker with the active assistance and participation of Chief Judge Gerald Rosen, and have involved representatives of the City, including the Emergency Manager, the Mayor and Jones Day.

4. As a result of those exhaustive efforts, two of the four Detroit Public Safety Unions, the DPCOA and the DPLSA, reached tentative settlements with the City late last week and early this week, respectively, and will be supporting the City's Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (May 5, 2014) [Docket No. 4392] (the "City's Plan"). However, the DPOA and the DFFA (the "Non-settling Public Safety Unions"), the two largest Detroit Public Safety Unions, have been unable to reach an agreement, in spite of exhaustive

efforts by the parties and the mediators. As a result, the Non-Settling Public Safety Unions may take opposing positions in connection with this case including issues regarding plan confirmation. Given the terms of the City's Plan and the imminent deadline for filing objections thereto, it is probable that the Non-Settling Public Safety Unions will be objecting to the City's Plan on various grounds.

5. As a result, Erman Teicher now finds itself with clients who have worked together as a coalition to resolve their differences with the City and who are directly adverse to each other on the issue of plan support, contrary to MRPC 1.7(a).

6. Given the importance, complexity and novelty of the issues raised by this case, Erman Teicher seeks to insure the prompt and ethical resolution of this conflict. With the support and assistance of their clients and subject to this Court's approval, Erman Teicher seeks to withdraw from the representation of the Settling Public Safety Unions and to continue its representation of the Non-Settling Public Safety Unions, if permissible.

7. Erman Teicher and each of the Detroit Public Safety Unions have independently concluded that Erman Teicher is not in possession of any confidential information that, pursuant to MRPC 1.9(c), would disqualify Erman Teicher from continuing to represent the Non-Settling Public Safety Unions in these chapter 9 proceedings.

8. In addition, each of the Detroit Public Safety Unions have concluded that, given the posture of the case, it will be easier for the Settling Public Safety Unions to obtain substitute counsel who can protect their interests than it will be for the Non-Settling Public Safety Unions to do so.

9. Nevertheless, given the complexity and novelty of the issues before the Court, Erman Teicher seeks an order of this Court allowing them to withdraw from representation of the Settling Detroit Public Safety Unions, so that the Firm can continue to represent the Non-settling Detroit Public Safety Unions.

10. Contemporaneously with the filing of this Motion, the Settling Public Safety Unions are working to obtain substitute counsel. However, given the pace of these proceedings, both the Firm and all of the Detroit Public Safety Unions wanted to bring the matter before the Court as promptly as possible.

11. Because of the complexity of the issues raised by this conflict and the speed at which the case is moving, Erman Teicher, on the advice of ethics counsel and with the knowledge and consent of the Detroit Public Safety Unions (who have approved the filing of this Motion and consent to the relief requested) seek the approval of this Court in order to promptly and ethically resolve this conflict in a manner that insures that each of the Detroit Public Safety Unions will have the advice of competent bankruptcy counsel as the case proceeds.

12. Erman Teicher now seeks an order of this Court allowing the Firm to withdraw as bankruptcy counsel for the Settling Public Safety Unions and to continue as bankruptcy counsel for the Non-Settling Public Safety Unions.

13. Contemporaneously with its filing, a copy of this Motion is being served by e-mail and facsimile on the following:

Mark Diaz, President, DPOA – diaz@detroitpoa.com,
diazm3329@gmail.com; (313) 567-7875 (fax)

Jim Moore, Esq. – jim@unionlaw.net; (313) 964-2125 (fax)

Scott Brooks, Esq., scott@unionlaw.net; (313) 964-2125 (fax)

Jeffrey Pegg, President, DFFA – jpegg344@aol.com; (313) 962-7899 (fax)

Christopher Legghio, Esq. – CPL@legghioisrael.com; (248) 398-2662 (fax)

Alidz Oshagan, Esq. – oshagan@legghioisrael.com; (248) 398-2662 (fax)

Mark Young, President, DPLSA – polo4491@aol.com; (313) 961-0923 (fax)

Peter Sudnick, Esq. – psudnick@sudnicklaw.com;
petersudnick@yahoo.com; (248) 643-0417 (fax)

Aric Tosquia, President, DPCOA – tosquia@detroitmi.gov

Mary Ellen Gurewitz, Esq. – megurewitz@sachswaldman.com;
(313) 965-4602 (fax)

WHEREFORE, Erman Teicher respectfully requests entry of an order allowing it to withdraw as counsel for the Settling Public Safety Unions, DPCOA and DPLSA, and approving its continued representation of the Non-Settling Public Safety Unions, DFFA and DPOA. Contemporaneously with this Motion, Erman

Teicher has filed a request to set this matter for expedited hearing given the impending and critical deadlines in this case. In the interim, the Settling Public Safety Unions are seeking substitute counsel.

Respectfully submitted,

ERMAN, TEICHER, ZUCKER & FREEDMAN, P.C.

BY: /s/ Barbara A. Patek

Barbara A. Patek (P34666)
Julie Beth Teicher (P34300)
400 Galleria Officentre, Suite 444
Southfield, MI 48034
(248) 827-4100
(248) 827-4106 - fax
bpatek@ermanteicher.com
jteicher@ermanteicher.com

DATED: May 8, 2014

F:\CHAP 9\DETROIT\motion for guidance regarding withdrawal of ET as counsel v.3.docx

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

IN RE:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steven W. Rhodes

**ORDER ALLOWING WITHDRAWAL AS COUNSEL FOR
SOME OF THE DETROIT PUBLIC SAFETY UNIONS**

This matter is before the Court upon the Motion Regarding Withdrawal as Counsel (the “Motion”), notice of the Motion has been duly served upon all required parties. No objections to the Motion have been filed.

The Court is advised in the premises and finds good cause for granting the relief requested by the Motion.

NOW, THEREFORE,

IT IS HEREBY ORDERED that the firm of Erman, Teicher, Zucker & Freedman, P.C. may withdraw as counsel of record for the Detroit Police Command Officers Association and the Detroit Police Lieutenants and Sergeants Association.

It is further ordered that any deadlines applicable to the DPCOA and the DPCLSA are extended for fourteen (14) days to allow the DPCOA and the DPLSA to obtain substitute counsel.

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

IN RE:

Chapter 9

City of Detroit, Michigan,

Case No. 13-53846

Debtor.

Hon. Steven W. Rhodes

CERTIFICATE OF SERVICE

I hereby certify that on May 8, 2014, I electronically filed a Motion Regarding Withdrawal as Counsel for Some of the Detroit Public Safety Union and Certificate of Service with the Clerk of the Court using the ECF system which will send notification of such filing to all parties registered to receive electronic notification in this case.

Further, a copy of the above pleadings were served by e-mail and facsimile on the following:

Mark Diaz, President, DPOA – diaz@detroitpoa.com,
diazm3329@gmail.com; (313) 567-7875 (fax)

Jim Moore, Esq. – jim@unionlaw.net; (313) 964-2125 (fax)

Scott Brooks, Esq., scott@unionlaw.net; (313) 964-2125 (fax)

Jeffrey Pegg, President, DFFA – jpegg344@aol.com; (313) 962-7899 (fax)

Christopher Legghio, Esq. – CPL@legghioisrael.com; (248) 398-2662 (fax)

Alidz Oshagan, Esq. – oshagan@legghioisrael.com; (248) 398-2662 (fax)

Mark Young, President, DPLSA – polo4491@aol.com; (313) 961-0923 (fax)

Peter Sudnick, Esq. – psudnick@sudnicklaw.com;
petersudnick@yahoo.com; (248) 643-0417 (fax)

Aric Tosquia, President, DPCOA – tosquia@detroitmi.gov

Mary Ellen Gurewitz, Esq. – megurewitz@sachswaldman.com;
(313) 965-4602 (fax)

/s/ Barbara A. Patek

Barbara A. Patek
Erman, Teicher, Zucker & Freedman, P.C.
400 Galleria Officentre, Suite 444
Southfield, MI 48034
(248) 827-4100